## **REMARKS**:

The claims in the application are now 37-54.

Favorable reconsideration of the application as amended is respectfully requested.

Concerning the acknowledgment of priority in paragraph 1 on page 2 of the Office Action, it is respectfully pointed out certified copies of German appln. no. 100 55 429.6 and European appln. no. 01117285.5 have <u>indeed</u> been submitted to the Patent and Trademark Office under certificate of mailing. Copies are enclosed of the cover pages from these two priority applications together with the Letter submitting the same to the Patent and Trademark Office and confirming postcard evidencing receipt thereof (in addition to other enclosures) by the Patent and Trademark Office on December 26, 2001. Accordingly, it is respectfully requested receipt of the certified copies of <u>all</u> priority documents be acknowledged upon the next official communication from the Patent and Trademark Office.

The right to file a divisional application to the subject matter of withdrawn Claims 17-34 is explicitly reserved by the Applicants. Claims 37-54 presented herein eliminate the rejections under 35 U.S.C. §112, second paragraph set forth in paragraphs 3-6 on pages 2-3 of the Office Action. In this regard, independent Claim 37 is essentially directed to a combination of Claims 1 and 4 and includes recitation finding support, e.g., in Fig. 3 and the accompanying description in the specification.

Claims 38-53 are directed to recitation found in Claims 2, 3, 5-16, 35 and 36 respectively. Claim 54 finds support in the last paragraph on page 16 of the specification.

Accordingly, the only outstanding issue is the art rejection of the claims. The present Amendment eliminates the anticipatory rejection over U.S. Patent No. 6,088,161 to Lee et al raised in paragraph 8 of the Office Action. Claim 4 had been rejected under 35 U.S.C. §103 as obvious over Lee et al in view of U.S. Patent No. 5,815,292 to Walters et al in paragraph 10 of the Office Action, with Claim 16 rejected as obvious over Lee et al in view of U.S. Patent No. 5,808,758 to Solmsdorf in paragraph 11 of the Office Action. However, it is respectfully submitted the invention as recited in all pending claims herein is patentable over the applied art, for the following reasons (reference will be made to preferred embodiments of the present invention illustrated in the drawings of the present application).

The present invention is directed to a <u>security feature</u>, e.g., for money, credit cards, etc. to protect against forgery. This security feature includes a dual-channel hologram 1 for reconstructing different images from different directions of gaze 27, 29 in which different regions 21, 22 of the hologram 1 are associated with the different channels. These regions 21, 22 of the hologram 1 reconstructing the respective image under incident light 7 have sub-regions which do <u>not</u> take part in the image

reconstruction. More particularly, these sub-regions comprise optical properties which have been later modified by laser or printing and can <u>only</u> be seen from the respective direction of gaze 27, 29.

As acknowledged by the Examiner in paragraph 10 of the Office Action, Lee et al <u>fail</u> to disclose subregions having parts with optical properties later modified by laser. Walters only discloses, at column 4, lines 30-52, removing a metal layer 101 by etching apertures 201 with a laser. The information created thereby is then visible under <u>all</u> viewing angles, unlike the claimed invention which explicitly provides a <u>security</u> feature. The purpose of laser etching in Walters is providing a machine readable bar code symbol (column 4, lines 46-50), i.e., <u>not</u> a hologram. In fact, Walters even states at column 1, lines 57-62 diffraction gratings are <u>not</u> true holograms, with his invention intended to <u>improve</u> over holograms (column 2, lines 40-42 and elsewhere). Therefore, if anything, Walters teaches <u>away</u> from the invention as claimed.

In contrast to any possible combination of Lee et al with Walters, the optical security element according to the present invention comprises at least a dual-channel hologram 1 having two images visible from <u>different</u> viewing angles. The respective diffraction structures 23, 25 are divided into strip-like parts 21, 22 which are alternately arranged (please see, e.g., Claim 54 introduced herein). According to the present invention, these strip-like parts 21, 22 are provided with subregions having modified optical properties compared to surroundings and which can <u>only</u> be seen from the

specific direction of gaze 27, 29 for the respective image 23, 25. Such a security element is neither taught nor suggested by the combination of Lee et al with Walters.

Solmsdorf adds nothing to the teachings of any other reference which would render obvious the invention as recited in any claim. The remaining art of record has not been applied against the claims and will not be commented upon further at this time.

Accordingly, in view of the forgoing amendment and accompanying remarks, it is respectfully submitted all claims pending herein are in condition for allowance.

Please contact the undersigned attorney should there be any questions. A petition for an automatic two month extension of time for response under 37 C.F.R. 1.136(a) is enclosed in triplicate together with the requisite petition fee.

Early favorable action is earnestly solicited.

Respectfully submitted,

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